

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Reorganized Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

**Hearing Date:**

**September 10, 2025 at 10:00 a.m. (ET)**

**Objection Deadline:**

**August 5, 2025 at 4:00 p.m. (ET)**

**SUMMARY OF SECOND COMBINED MONTHLY AND FINAL FEE  
APPLICATION OF DIRECT FEE REVIEW LLC FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE MONTHLY  
PERIOD FROM APRIL 1, 2025 THROUGH JUNE 2, 2025 AND THE FINAL PERIOD  
FROM JANUARY 15, 2025 THROUGH JUNE 2, 2025**

Name of Applicant:

Direct Fee Review LLC

Authorized to Provide Professional Services  
to:

Fee Examiner

Date of Retention:

Effective as of January 15, 2025

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<sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Reorganized Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Monthly period for which compensation and reimbursement is sought:

April 1, 2025 through June 2, 2025

Amount of Monthly Compensation sought as actual, reasonable and necessary:

\$7,170.00

80% of Monthly Compensation sought as actual, reasonable and necessary:

\$5,736.00

Amount of Expense Reimbursement sought as actual, reasonable and necessary:

\$0.00

Final Fee Period for which compensation and reimbursement is sought:

January 15, 2025 through June 2, 2025

Amount of Final Compensation sought as actual, reasonable and necessary:

\$31,050.00

Amount of Final Expense Reimbursement sought as actual, reasonable and necessary:

\$0.00

This is a:   X   monthly   X   final application

This application includes 1.4 hours and \$420.00 in fees incurred in connection with the preparation of fee applications.

**Prior Applications:**

<b>Date Filed / Docket No</b>	<b>Fee Period</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>	<b>Order Entered</b>
04/25/25 D.I. 1310	01/15/25 - 03/31/25	\$23,880.00	\$0.00	Pending	Pending	Pending

## Monthly Compensation by Individual:

<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>	<b>Total Hours Billed for the Period 4/1/25 through 6/2/25</b>	<b>Total Compensation for the Period 4/1/25 through 6/2/25</b>
WJ Dryer (WJD)	Auditor	\$ 300.00	13.4	\$ 4,020.00
DF Oliver (DFO)	Auditor	\$ 300.00	10.5	\$ 3,150.00
Total			23.9	\$ 7,170.00

## Monthly Compensation by Project Category:

<b>Project Category</b>	<b>Total Hours for the Period 4/1/25 through 6/2/25</b>	<b>Total Fees for the Period 4/1/25 through 6/2/25</b>
Auditing	22.5	\$ 6,650.00
Fee Application	1.4	\$ 420.00
Total	23.9	\$ 7,170.00

## Cumulative Compensation by Individual:

<b>Name</b>	<b>Position</b>	<b>Hourly Billing Rate</b>	<b>Total Hours Billed for the Period 1/15/25 through 6/2/25</b>	<b>Total Compensation for the Period 1/15/25 through 6/2/25</b>
WJ Dryer (WJD)	Auditor	\$ 300.00	50.4	\$ 15,120.00
DF Oliver (DFO)	Auditor	\$ 300.00	53.1	\$ 15,930.00
Total			103.5	\$ 31,050.00

## Cumulative Compensation by Project Category:

<b>Project Category</b>	<b>Total Hours for the Period 1/15/25 through 6/2/25</b>	<b>Total Fees for the Period 1/15/25 through 6/2/25</b>
Auditing	102.1	\$ 30,630.00
Fee Application	1.4	\$ 420.00
Total	103.5	\$ 31,050.00

## Cumulative Expense Summary:

<b>Expense Category</b>	<b>Total Expense for the Period 4/1/25 through 6/2/25</b>	<b>Total Expense from the 1/15/25 through 6/2/25</b>
Court call	\$ 0.00	\$ 0.00
Delivery	\$ 0.00	\$ 0.00
Postage	\$ 0.00	\$ 0.00
PACER	\$ 0.00	\$ 0.00
Supplies	\$ 0.00	\$ 0.00
Mileage	\$ 0.00	\$ 0.00
Tolls	\$ 0.00	\$ 0.00
Parking	\$ 0.00	\$ 0.00
Total	\$ 0.00	\$ 0.00

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FOR THE DISTRICT OF DELAWARE**

In re

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Reorganized Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

**Hearing Date:**

**September 10, 2025 at 10:00 a.m. (ET)**

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**SECOND COMBINED MONTHLY AND FINAL FEE APPLICATION OF DIRECT  
FEE REVIEW LLC FOR ALLOWANCE OF COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE MONTHLY PERIOD FROM  
APRIL 1, 2025 THROUGH JUNE 2, 2025 AND THE FINAL PERIOD FROM  
JANUARY 15, 2025 THROUGH JUNE 2, 2025**

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, Direct Fee Review LLC (hereinafter "DFR") hereby moves the United States Bankruptcy Court for the District of Delaware (the "Court") for reasonable compensation for

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<sup>1</sup> The Reorganized Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Reorganized Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

professional services rendered as Fee Examiner<sup>2</sup> in the above-captioned jointly administered cases in the amount of \$7,170.00 (80% of which is \$5,736.00) together with reimbursement for actual and necessary expenses incurred in the amount of \$0.00 for the period commencing April 1, 2025 through and including June 2, 2025 (the "Monthly Fee Period"), and \$31,050.00 together with reimbursement for actual and necessary expenses incurred in the amount of \$0.00 for the period commencing January 15, 2025 through and including June 2, 2025 (the "Final Fee Period"). In support of this application (the "Application"), DFR respectfully represents the following:

1. DFR was employed under a general retainer to act as Fee Examiner to examine the professional fees and expenses incurred in connection with these chapter 11 cases, pursuant to the *Order Appointing Fee Examiner and Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [Docket No. 747], entered by this Court on January 15, 2025 (the "Order"). The Order authorized DFR to be compensated for fees and expenses subject to application and review pursuant to section 330 of the Bankruptcy Code and to be paid from the Debtors' estates as an administrative expense under section 503(b)(2) of the Bankruptcy Code.
2. All services for which compensation is requested by DFR were performed for or on behalf of the bankruptcy estate and not on behalf of any committee, creditor or other person.
3. There is no agreement or understanding between DFR and any other person other than members of DFR for sharing of compensation to be received for services in these cases.

#### **SUMMARY OF SERVICES RENDERED**

4. Attached hereto as **Exhibit A** are the DFR billing statements for the Monthly Fee Period showing the amount of \$7,170.00 (80% of which is \$5,736.00) due for fees and a detailed

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<sup>2</sup> Capitalized terms used but not otherwise defined in this Application have the meanings given to such terms in the Order (as defined herein).

statement of expenses paid during the Fee Period showing the amount of \$0.00 for reimbursement of expenses. These statements contain detailed entries describing the time expended by each member of DFR.

5. Members of DFR have expended a total of 23.9 hours in connection with this matter during the Monthly Fee Period. The services were performed by WJ Dryer (WJD) and DF Oliver (DFO) and are identified as such in the billing statement attached hereto as **Exhibit A**.
6. In the *First Combined Monthly Fee Application of Direct Fee Review LLC for Allowance of Compensation and Reimbursement of Expenses for the Period From January 15, 2025 Through March 31, 2025* [Docket No. 1310] (the “**First Monthly Fee Application**”) are the DFR billing statements for the prior applicable monthly fee periods, showing the amount of \$23,880.00 due for fees and a detailed statement of expenses paid during that monthly fee period showing the amount of \$0.00 for reimbursement of expenses. These statements included in the First Monthly Fee Application contain detailed entries describing the time expended by each member of DFR during the applicable fee period.
7. Members of DFR have expended a total of 103.5 hours in connection with this matter during the Final Fee Period. The services were performed by WJ Dryer (WJD) and DF Oliver (DFO) and are identified as such in the billing statements attached to the First Monthly Fee Application and invoices attached thereto as **Exhibit A**.

#### **DISBURSEMENTS**

8. During this Final Fee Period, DFR has incurred out-of-pocket disbursements in the amount of \$0.00. This disbursement sum is broken down into categories of charges including court call, photocopies, supplies and document mailing expenses. A complete review by category of the expenses incurred for the Final Fee Period may be found in the attachment hereto as **Exhibit A**.

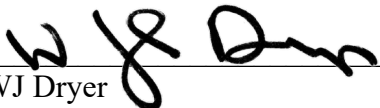
**REQUEST FOR FINAL APPROVAL**

9. By this Application, DFR requests final approval of all fees and expenses incurred by DFR in this case from January 15, 2025 through and including June 2, 2025. By this Application, DFR is requesting payment in the amount of \$7,170.00 (80% of which is \$5,736.00) as compensation of professional services rendered by DFR during the Monthly Fee Period and final allowance and payment of fees in the amount of \$31,050.00 and expense reimbursement in the amount of \$0.00.
10. DFR submits that the time entries included in the attached **Exhibit A** are in compliance with the requirements of rule 2016-1 of the *Local Rules of the United States Bankruptcy Court for the District of Delaware*, amended effective February 1, 2025. In accordance with the factors enumerated in Section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by DFR is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

*[Remainder of Page Intentionally Left Blank]*

WHEREFORE, DFR respectfully requests an award of compensation for professional services rendered as Fee Examiner during the Monthly Fee Period in the amount of \$7,170.00 (80% of which is \$5,736.00), and the sum of \$0.00 for reimbursement of actual necessary costs and expenses incurred during the Monthly Fee Period, and for the Final Fee Period in the amount of \$31,050.00, and the sum of \$0.00 for reimbursement of actual necessary costs and expenses incurred during the Final Fee Period and for such other and further relief as this Court may deem just and proper.

**DIRECT FEE REVIEW LLC**  
**FEE EXAMINER**

By:   
WJ Dryer

24A Trolley Square, #1225  
Wilmington, DE 19806  
Telephone: 302.287.0955  
dfr.wjd@gmail.com



**VERIFICATION**

D F Oliver, after being duly sworn according to law, deposes and says:

1. I am a principal in the applicant Firm, Direct Fee Review LLC.
2. I have personally performed many of the services rendered by Direct Fee Review LLC, as Fee Examiner in these cases and am thoroughly familiar with all other work performed by the fee auditors in the firm.
3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.

  
D F Oliver

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of California  
County of Sonoma

On this JUNE 17, 2025 before me, SHONA L. WEIR, Notary Public

personally appeared D.F. OLIVER  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



